



U.S. General Services Administration

Maintenance, Repair & Operations (MRO) Purchase Channel

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Strategic Sourcing Initiative

- MRO BPAs are a Strategic Sourcing Solution
 - Strategic sourcing is the structured and collaborative process of critically analyzing an organization's spending patterns
- Strategic Sourcing goals
 - Better leverage the Government's purchasing power
 - Reduce total cost of ownership
 - Improve mission delivery and performance
 - Seek a more effective Government-wide acquisition approach



MRO as a Strategic Sourcing Solution

- MRO supplies were identified as a key commodity
- Government spends estimated \$1.6B/year on MRO supplies
- GSA collaborated with top spend agencies to develop MRO
 - MRO goals
 - Uniform prices
 - Measurement of total cost savings
 - Reporting/transactional data
 - Aid agencies in managing their MRO spend
 - Socio-economic goals
 - Drive regulatory compliance
 - Provide sustainable solutions



MRO Commodity: Channels

- Two core areas of concentration
- Purchase and Requisition
 - Purchase channel: Available now!
 - Self service solution using SmartPay2® or government-issued purchase card or purchase order to buy products from BPA contractors
 - Requisition channel: Available FY15
 - Full service solution using GSA Global Supply

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MRO Purchase Channel Solution



Why should I use MRO Purchase Channel?

- Average prices are 12% lower than what most agencies are paying now for the same or similar products
- Additional discounts may be available once government-wide cumulative thresholds are reached, triggered at \$12.5M, \$25M, \$37.5M, \$50M, and \$62.5M
- The more customers buy through the MRO purchase channel, the quicker agencies will benefit from additional discounts
- As agencies use the solution, the PMO will implement a dynamic pricing strategy by using the transactional data provided by MRO contractors to keep pricing competitive



MRO BPA Period of Performance

- Period of Performance
 - Base Period: One year from the date of BPA establishment
 - Option Years: Four one-year potential option periods
- BPA Against MAS
 - All the regulations, laws, and government program requirements applicable to the contractor's MAS 51V Schedule Contract also will apply at the MRO BPA order level

Awardees

- BPA holders consist of 1 other than small and 9 small businesses
- Contractor information available at gsa.gov/fssimro

Contractor Name	Socio-Economic Status	Product Category		
		Hardware	Tools and Tool Cabinets	Paints, Adhesives and Sealants
Capitol Supply, Inc.	SB	YES		
Complete Packaging and Shipping Supplies Inc.	SB	YES		
Document Imaging Dimensions	WOSB	YES		
Galaxie Defense Marketing Services	SDVOSB	YES		
MJL Enterprises LLC	SDVOSB	YES		YES
Noble Supply & Logistics	SB	YES	YES	YES
Premier & Companies, Inc.	SB	YES	YES	
The Office Group, Inc.	WOSB	YES	YES	YES
Wrigglesworth Enterprises, Inc.	WOSB	YES		
W.W. Grainger, Inc.	Other than small	YES	YES	YES



MRO BPA Categories

- The MRO Purchase Channel BPAs were established in 3 distinct categories:
 - Category I: Hardware
 - Category II: Tools & Tool Cabinets
 - Category III: Paints, Adhesives, & Sealants



Category I: Hardware

- Product Examples
 - Screws, ladders, brackets, drill bits, welding equipment, hoses, valves, faucets, rollers, drop cloths, storage containers, protective goggles, earplugs, portable air conditioners, portable heaters, humidifiers, dehumidifiers, pumps, compressors, generators, motors, lights, cables, surge protectors



Category II: Tools & Tool Cabinets

- Product Examples:
 - Wrenches, shears, screwdrivers, scissors, saws, knives, hammers, drills, tool sets and kits, tool batteries, and tool cabinets

The top of the slide features a decorative header with a faded American flag motif, showing stars and stripes. Below this is a solid blue horizontal bar.

Category III: Paints, Adhesives, & Sealants

- Product Examples:
 - Paints, adhesives, sealants, stains, varnishes, shellacs, lacquers, and small specialized tools and equipment related to painting and finishing

A decorative header featuring a stylized American flag with white stars on a blue field and red and white stripes, partially obscured by a white, draped fabric effect.

Terms & Conditions

- Standard delivery CONUS 5-7 business days, FOB destination
- International, OCONUS, and delivery to Alaska, Hawaii, Puerto Rico, and U.S. territories available from contractor
 - Fees may apply
- Contractors may provide overnight, second day, and expedited (3-4 day) delivery for an additional fee
- Damaged goods are the contractor's responsibility if received in damaged condition
 - Contractors have 3 business days to send replacement items
 - Adheres to timeframe of the original order



Terms & Conditions

- 30 day returns
 - Returned items must be in original packaging
 - Restocking fees may apply
- Purchases made on behalf of the federal government are exempt from imposition of most taxes
 - BPA price includes all applicable federal, state, and local taxes
- For specific requirements such as IUID, RFID, MIL-STD-129, or agency-level restrictions
 - Include requirements within delivery orders
 - Communicate directly with MRO BPA contractors

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Product Compliance

- Products fulfill customer regulatory requirements
 - All contractors are AbilityOne-authorized distributors
 - Products are Trade Agreement Act compliant
 - For DoD orders exceeding \$150K, products are Berry Amendment compliant
 - Sustainable options: bio-preferred, Energy Star, and Water Sense products available



Buying Options

- Customers can use GSA SmartPay2® or government-issued purchase card *GSA Advantage!*
 - DoD EMALL
 - Direct from contractor operated websites, phone, fax, or brick and mortar store
- Agency contracting personnel can issue purchase orders directly to contractors if not using SmartPay2® or government-issued purchase card
- \$25 minimum order threshold
 - Customers order direct from contractors for under \$25
 - Fee may apply



Procurement Tools

- eBuy.gsa.gov is an electronic Request for Quote (RFQ) system designed to allow government buyers to request information, find sources, and prepare RFQs
- Reverseauctions.gsa.gov facilitates customer requests and quote submissions off of MRO BPAs
 - Agencies submit commodities under MRO solution while contractors compete one-on-one through price bidding
 - Awards are made to the lowest bidder
 - Valid GSA eBuy username and password required



FAR 8.4 Ordering Requirements

For orders at or below the micro-purchase threshold (under \$3,000)

- May place orders at, or below, micro-purchase threshold with any MRO contractor that can meet agency needs [FAR 8.405-3(c)(2)]
- Comparative price analysis is not required
- Not required to solicit from a specific number of schedule contractors
- Justification is not required for brand name or sole source requirements
- Ordering activities should attempt to distribute orders among BPA holders



FAR 8.4 Ordering Requirements

For orders exceeding the micro-purchase threshold, but not exceeding the simplified acquisition threshold (above \$3,000; less than \$150,000)

- Place orders with the MRO contractor that can provide the supply that represents the best value [FAR 8.405-3(c)(2)(ii)]
- Provide each contractor a fair opportunity to be considered for each order
- Document circumstances for restricting consideration to less than all MRO contractors offering required supplies and services
- Follow justification requirements for brand name or sole source items
- Conduct a comparative price analysis



FAR 8.4 Ordering Requirements

**For orders exceeding the simplified acquisition threshold
(above \$150,000)**

- Place orders with the MRO contractor that can provide the supply that represents the best value [FAR 8.405-3(c)(2)(iii)]
- Provide your RFQ to all contractors offering required supplies
- Include description of the supplies to be delivered and the basis upon which selection will be made
- Fairly consider all responses received and make award in accordance with your RFQ selection procedures
- Document circumstances for restricting consideration to less than all MRO contractors offering required supplies and services
- Follow justification requirements for brand name or sole source items
- Conduct a comparative price analysis



Best Value

- Past performance
- Special features of supply required for effective program performance
- Trade-in considerations
- Probable life of selected item, compared with similar item
- Warranty considerations
- Maintenance availability
- Delivery terms
- Environmental and energy-efficiency considerations
- AbilityOne preference
- Berry Amendment compliance
- Trade Agreement compliance
- Agency set socio-economic goals



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- Make sure that your user profile includes your Agency and Sub-Agency or Bureau name to assist with detailed data reporting. This will assist with capturing spend data at the agency level.



Resources

- You can reach us directly at fssi.mro@gsa.gov
- More information available at www.gsa.gov/fssimro
 - See the Quick Guide and Full Ordering Guide for additional resources
- Check out MRO news at interact.gsa.gov
- Information on Reverse Auctions at reverseauctions.gsa.gov